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ADDITIONAL DIRECT TESTIMONY OF DON PRICE  
ON BEHALF OF  
MCI TELECOMMUNICATIONS CORPORATION AND  
MCImetro ACCESS TRANSMISSION SERVICES, INC.  
DOCKET NO. 960846-TP

August 22, 1996

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Don Price, and my business address is 701 Brazos, Suite 600, Austin, Texas, 78701.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am employed by MCI Telecommunications Corporation in the Southern Region as Senior Regional Manager -- Competition Policy.

Q. HAVE YOU PREVIOUSLY FILED TESTIMONY IN THIS DOCKET?

A. Yes, I filed direct testimony on August 21, 1996.

Q. WHAT IS THE PURPOSE OF THIS ADDITIONAL TESTIMONY?

A. The purpose of this testimony is to describe the ancillary arrangements that will be required to eliminate barriers to competition and identify the relevant rules ordered by the FCC in its rulemaking implementing the local competition provisions of the Telecommunications Act of 1996.

RECORDED & INDEXED  
AUG 22 1996  
FISC-RECORDS/REPORTING

1                   **ANCILLARY ARRANGEMENTS AND SERVICES REQUIREMENTS**

2           **Ancillary Arrangements: Overview**

3           **Q.   PLEASE EXPLAIN THE IMPLICATIONS OF THE**  
4                   **TELECOMMUNICATIONS ACT OF 1996 AND THE RECENT FCC'S**  
5                   **ORDER AND RULES.**

6           **A.   The Telecommunications Act of 1996 ("the Act") promotes**  
7                   **competition by directly removing, or mandating that the FCC and**  
8                   **state Commissions remove, significant impediments to efficient entry**  
9                   **by imposing requirements such as access to unbundled network**  
10                  **elements, interconnection, and resale of retail services. The Act also**  
11                  **removes either directly or through the federal and state Commissions**  
12                  **certain operational barriers to competition, by mandating local number**  
13                  **portability, dialing parity, and nondiscriminatory access to rights of**  
14                  **way. Eliminating these barriers by devising ancillary arrangements**  
15                  **and service requirements is essential if competition is to develop in**  
16                  **the local exchange market. These operational arrangements will give**  
17                  **new entrants the opportunity to provide to their customers high**  
18                  **quality, robust local exchange services. Absent these ancillary**  
19                  **arrangements, MCI will always be placed in the position of providing**  
20                  **inferior local exchange services and those services, regardless of their**  
21                  **prices, will likely never be competitive with those of the incumbent**  
22                  **local exchange carriers ("ILECs").**

23                   **The purpose of this portion of my testimony is to describe the**  
24                   **ancillary arrangements and service requirements that will be required**  
25                   **to eliminate barriers to competition, to identify the relevant rules**

1 ordered by the FCC in its rulemaking implementing the local  
2 competition provisions of the Act, and to identify the actions that the  
3 state Commissions must take to fully eliminate these barriers. The  
4 detailed interfaces and performance standards needed for these  
5 ancillary arrangements will be presented in testimony provided by  
6 another MCI witness.

7

8 Q. WHAT ARE THE KEY ANCILLARY ARRANGEMENTS ON WHICH  
9 YOUR TESTIMONY FOCUSES?

10 A. My testimony focuses on seven specific ancillary arrangements and  
11 services:

- 12 1. local number portability;
- 13 2. dialing parity;
- 14 3. directory assistance and operator services;
- 15 4. directory listing arrangements (both white and yellow pages);
- 16 5. access to 911 and E911 facilities and platforms;
- 17 6. access to poles, ducts, conduit, and rights-of-way; and
- 18 7. a bona fide request process for new unbundled network  
19 elements.

20

21 **Ancillary Arrangements: Local Number Portability**

22 Q. WHAT IS THE SIGNIFICANCE OF LOCAL NUMBER PORTABILITY?

23 A. Both Congress and the FCC have recognized that service provider  
24 portability -- the ability of end users to retain their telephone numbers  
25 when changing service providers -- is necessary to give customers

1 flexibility in the quality, price, and variety of telecommunications  
2 services they can choose to purchase. Conversely, it has been shown  
3 that the lack of local number portability ("LNP") would likely deter  
4 entry by competitive carriers into local markets because of the value  
5 customers place on retaining their telephone numbers. Therefore,  
6 pursuant to Section 271(c)(2)(B)(xi) of the Act and rules recently  
7 established by the FCC in its Telephone Number Portability order, In  
8 the Matter of Telephone Number Portability, CC Docket No. 95-116,  
9 First Report and Order and Further Notice of Proposed Rulemaking,  
10 July 2, 1996, ("LNP Order"), all local exchange carriers ("LECs") are  
11 required to provide permanent LNP according to specific  
12 implementation guidelines.

13 In addition, until the implementation date established by the  
14 FCC, Section 271(c)(2)(B)(xi) of the Act requires each Bell Operating  
15 Company ("BOC") to provide interim local number portability ("ILNP")  
16 measures through remote call forwarding ("RCF"), direct inward  
17 dialing ("DID"), or other comparable arrangements, with as little  
18 impairment of functioning, quality, reliability and convenience as  
19 possible.

20  
21 Q. WHAT ARE THE IMPLICATIONS OF LONG TERM (OR TRUE) NUMBER  
22 PORTABILITY TO THESE ARBITRATION PROCEEDINGS?

23 A. Because of actions taken by this Commission, the industry is moving  
24 in a direction that should provide number portability to Florida  
25 customers in accordance with the FCC's implementation schedule.

1 For additional information on the responsibilities that states have  
2 under the FCC's LNP Order, please refer to Exhibit \_\_\_ (DGP-4).

3

4 Q. WHAT ARE THE IMPLICATIONS OF INTERIM NUMBER PORTABILITY  
5 TO THESE ARBITRATION PROCEEDINGS?

6 A. The Commission must adopt a cost recovery mechanism for interim  
7 LNP measures that is "competitively neutral" and is consistent with  
8 basic criteria established in the LNP Order, i.e., it must not give one  
9 service provider an appreciable incremental cost advantage over  
10 another service provider, and it should not have a disparate effect on  
11 the ability of competing providers to earn normal returns on their  
12 investment.

13 The Commission must approve terminating access  
14 arrangements in the interim LNP context, such that terminating access  
15 charges paid by IXCs on calls forwarded as a result of RCF or other  
16 comparable number portability measures are shared between the  
17 forwarding and terminating carriers.

18 The Commission must order the incumbent LEC to accept  
19 certain billing arrangements necessitated by use of RCF and DID for  
20 number portability purposes.

21

22 Q. WHAT RELIEF IS MCI SEEKING FROM THIS COMMISSION  
23 REGARDING INTERIM PORTABILITY?

24 A. MCI requests that this Commission take the following steps with  
25 regard to cost recovery and implementation of interim LNP measures:

1           (1)    The Commission should mandate that each carrier must pay for  
2                    its own costs of currently available number portability  
3                    measures. This is the simplest and most direct mechanism for  
4                    ILNP cost recovery that meets the FCC's competitively neutral  
5                    cost recovery criteria.

6                                This mechanism does not require special reporting  
7                                between carriers of revenues, minutes of use, number of  
8                                customer telephone numbers, etc. This is especially important  
9                                because ILNP measures will soon be replaced by permanent  
10                              LNP. Development and monitoring of the accounting and  
11                              reporting systems necessary to implement another, more  
12                              *complicated, competitively neutral cost recovery mechanism*  
13                              would be extremely inefficient given the short time frame it will  
14                              be in place. A second-best cost recovery option, which also is  
15                              fairly simple and straight-forward and meets the FCC's criteria  
16                              is to allocate ILNP costs based on a carrier's number of active  
17                              telephone numbers (or lines) relative to the total number of  
18                              active telephone numbers (or lines) in a service area.

19           (2)    The Commission should direct the incumbent LEC to adopt  
20                    meet-point billing arrangements for access charges paid by IXCs  
21                    terminating calls directed to MCI via LEC-provided RCF or DID.  
22                    The appropriate split of access charges is: (i) the forwarding  
23                    LEC charging the IXC for transport from the IXC point of  
24                    presence to the end office where the RCF/DID is provided; and  
25                    (ii) the terminating LEC charging the IXC for the terminating

1           LEC's terminating switching function and common line. Any  
2           additional intermediate switching and transport costs incurred  
3           by the forwarding LEC should be recovered as part of the  
4           competitively neutral cost allocation mechanism. In addition, if  
5           MCI is unable to identify the particular IXC carrying a call  
6           subject to forwarding, the LEC should provide MCI with the  
7           necessary information to permit MCI to issue a bill to the IXC.  
8           This may include sharing Percentage Interstate/Intrastate Usage  
9           data.

10           (3) The Commission must direct the incumbent LEC, when it is the  
11           recipient provider, to accept MCI's billing to the incumbent  
12           provider for charges resulting from third number and collect  
13           calls being billed to the new entrant's directory numbers, per  
14           the customer's direction. If this does not occur, MCI will have  
15           to indicate in its line databases that collect or third-number  
16           billing are not accepted for this number. When RCF or DID is  
17           used to forward calls to an MCI customer, the donor provider  
18           must agree to maintain the Line Information Database record for  
19           that number to reflect appropriate conditions as reported to it  
20           by MCI.

21

22           **Ancillary Arrangements: Dialing Parity**

23           Q.     WHAT IS THE SIGNIFICANCE OF "DIALING PARITY" IN  
24           ESTABLISHING APPROPRIATE COMPETITIVE CONDITIONS?

25           A.     The Act, in Section 251(b)(3), imposes on all LECs:

1           The duty to provide dialing parity to competing providers  
2           of telephone exchange service and telephone toll service,  
3           and the duty to permit all such providers to have  
4           nondiscriminatory access to telephone numbers, operator  
5           services, directory assistance, and directory listing, with  
6           no unreasonable dialing delays.

7  
8           Dialing parity achieved through presubscription allows  
9           customers to preselect any provider of telephone exchange service or  
10          telephone toll service without having to dial extra digits to route a call  
11          to that carrier's network. In the Implementation of the Local  
12          Competition Provisions of the Telecommunications Act of 1996, CC  
13          Docket No. 96-98, *Second Report and Order and Memorandum*  
14          *Opinion and Order*, August 8, 1996 ("Second Order"), the FCC  
15          concluded at paragraph 4

16                 ...that section 251(b)(3) requires LECs to provide dialing  
17                 parity to providers of telephone exchange or toll service  
18                 with respect to all telecommunications services that  
19                 require dialing to route a call...

20          Thus, customers must be able to access directory and operator  
21          services and complete local and toll calls using the same dialing string,  
22          regardless of the selected local or toll provider.

23

24          Q.     PLEASE EXPLAIN THE IMPLICATIONS OF THESE OBLIGATIONS ON  
25          BOTH "TOLL" AND "LOCAL" DIALING PARITY.



1       A.    The FCC adopted broad guidelines and minimum standards to  
2            implement toll dialing parity, including the requirements that LECs use  
3            the "full 2-PIC" method (though states have the flexibility to impose  
4            additional requirements), that dialing parity be defined by LATA  
5            boundaries (though states may redefine dialing parity based on state  
6            boundaries if determined to be in the public interest), and that LECs  
7            file dialing parity implementation plans that must be approved by state  
8            Commissions. LECs, including BOCs, must implement dialing parity  
9            by February 8, 1999, and provide dialing parity throughout a state  
10           coincident with their provision of in-region, interLATA or in-region,  
11           interstate toll service.

12                    For local dialing parity, the FCC requires (para. 9 of the Second  
13            Order):

14                            ...a LEC to permit telephone exchange service customers,  
15                            within a defined local calling area, to dial the same  
16                            number of digits to make a local telephone call,  
17                            notwithstanding the identity of the customer's or the  
18                            called party's local telephone service provider.

19                    The FCC declined to prescribe national guidelines for LECs to  
20            accomplish local dialing parity, consumer education and carrier  
21            selection (para. 80 of the Second Order).

22  
23        Q.    HOW ARE THE IMPLEMENTATION COSTS ASSOCIATED WITH  
24            DIALING PARITY TO BE RECOVERED?

25        A.    The FCC addressed recovery of dialing parity implementation costs at

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para. 92 of the Second Order:

We conclude that, in order to ensure that dialing parity is implemented in a pro-competitive manner, national rules are needed for the recovery of dialing parity implementation costs. We further conclude that these costs should be recovered in the same manner as the costs of interim number portability...

That is, cost recovery for local and toll dialing parity (including intraLATA equal access when it is implemented) must be limited to incremental costs, and recovered from all providers in the area served by a LEC, including that LEC, using a competitively-neutral allocator established by the state. (Paragraphs 94 - 95 of the Second Order)

The FCC's requirement for nondiscriminatory access requires ILECs to allow competing providers access that is at least equal in quality to that the LEC provides itself. Thus, call set-up and call processing times for MCI should be equivalent to that for the ILEC and any dialing delays must be no longer than those experienced by the ILEC's customers for processing calls on the ILEC network for identical calls or call types.

- Q. WHAT ARE THE ISSUES PERTAINING TO DIALING PARITY TO BE RESOLVED IN THIS PROCEEDING?
- A. MCI requests that the Commission ensure that only costs incremental and directly related to dialing parity are recovered by allowing dialing

1 parity implementation costs to be subject to investigation and review.

2

3

4 **Ancillary Arrangements: Directory Assistance and Operator Services**

5 Q. YOU MENTIONED DIRECTORY ASSISTANCE AND OPERATOR  
6 SERVICES AT THE OUTSET OF YOUR TESTIMONY AS ONE OF THE  
7 ANCILLARY SERVICES THAT IS CRITICAL. WHAT IS THE  
8 COMPETITIVE SIGNIFICANCE OF THESE SERVICES?

9 A. Access to directory assistance and operator services ("DA/OS") is an  
10 essential component of basic telephone service. New entrants such  
11 as MCI must be able to provide DA/OS services that are comparable in  
12 quality to those provided by ILECs. Customers must be able to reach  
13 MCI's DA/OS using the same dialing string as the ILEC and with no  
14 unreasonable dialing delays, as described in the dialing parity section  
15 above.

16

17 Q. WHAT IS REQUIRED BY THE TELECOMMUNICATIONS ACT AND THE  
18 FCC'S RULES?

19 A. Section 271(c)(2)(B)(vii) of the Act requires Bell operating companies  
20 to provide as a condition for entering the in-region long distance  
21 market :

22 Nondiscriminatory access to...

23 (II) directory assistance services to allow the other carrier's  
24 customers to obtain numbers; and

25 (III) operator call completion services.

1           The FCC recently concluded in its Second Order (at paragraph 101)  
2           that

3                     the term "nondiscriminatory access" means that a LEC  
4                     that provides telephone numbers, operator services,  
5                     directory assistance, and/or directory listings ("providing  
6                     LEC") must permit competing providers to have access to  
7                     those services that is at least equal in quality to the  
8                     access that the LEC provides to itself.

9  
10                    The FCC also concluded, in the First Report and Order in CC  
11                    Docket Nos. 96-98 and 95-185 ("First Order" or "the Order"), at  
12                    paragraph 534:

13                            We further conclude that, if a carrier requests an incumbent  
14                            LEC to unbundle the facilities and functionalities providing  
15                            operator services and directory assistance as separate network  
16                            elements, the incumbent LEC must provide the competing  
17                            provider with nondiscriminatory access to such facilities and  
18                            functionalities at any technically feasible point.

19  
20                            In addition to a general obligation to provide unbundled access  
21                            to DA/OS facilities and functionalities, the FCC went further in  
22                            paragraph 536 to include additional obligations:

23                            We therefore find that incumbent LECs must unbundle the  
24                            facilities and functionalities providing operator services and  
25                            directory assistance from resold services and other unbundled

1 network elements to the extent technically feasible. As  
2 discussed above in our section on unbundled switching, we  
3 require incumbent LECs, to the extent technically feasible, to  
4 provide customized routing, which would include such routing  
5 to a competitors operator services or directory assistance  
6 platform.

7

8 Each of these sections highlights the ILEC's obligation to offer  
9 these services as unbundled network elements on a nondiscriminatory  
10 basis. As additional direction, the FCC in paragraph 218 of its Order  
11 provided the following definition of "nondiscriminatory" to be used in  
12 interpreting sections of the Act and its own Order:

13 Therefore, we reject for purposes of Section 251, our historical  
14 interpretation of "nondiscriminatory" which we interpreted to  
15 mean a comparison between what the incumbent LEC provided  
16 other parties in a regulated monopoly environment. We believe  
17 that the term "nondiscriminatory" as used throughout section  
18 251 applies to the terms and conditions an incumbent LEC  
19 imposes on third parties as well as on itself.

20

21 Taken together, the Act and the FCC provide support for MCI  
22 to have the option of reselling the ILEC's DA/OS platform, as well as  
23 the option to purchase unbundled elements, including: DA database  
24 and sub-databases, data resident within a database for the purpose of  
25 populating an MCI database, and the DA platform including systems

1 and operators. In addition, ILECs must provide access at any  
2 technically feasible point and at nondiscriminatory terms and  
3 conditions at least equal in quality to the access that the LEC provides  
4 to itself.

5 The FCC specifically addressed the requirements and technical  
6 feasibility of obtaining nondiscriminatory access to DA databases as  
7 separate unbundled elements:

8 In particular, the directory assistance database must be  
9 unbundled for access by requesting carriers. Such access must  
10 include both entry of the requesting carrier's customer  
11 information into the database, and the ability to read such a  
12 database, so as to enable requesting carriers to provide operator  
13 services and directory assistance concerning incumbent LEC  
14 customer information...We find that the arrangement ordered by  
15 the California Commission concerning the shared use of such a  
16 database by Pacific Bell and GTE is one possible method of  
17 providing such access. (Footnotes omitted.) (Paragraph 538)

18  
19 The DA database should be sent to MCI by the ILEC  
20 electronically. The FCC concluded that any exchange of data  
21 currently between any incumbent LECs demonstrates technical  
22 feasibility (para. 554):

23 Finally, in accordance with our interpretation of the term  
24 'technically feasible,' we conclude that, if a particular method  
25 of interconnection is currently employed between two

1 networks, or has been used successfully in the past, a  
2 rebuttable presumption is created that such a method is  
3 technically feasible for substantially similar network  
4 architectures. Moreover, because the obligation of incumbent  
5 LECs to provide interconnection of access to unbundled  
6 elements by any technically feasible means arises from sections  
7 251(c)(3), we conclude that incumbent LECs bear the burden of  
8 demonstrating the technical infeasibility of a particular method  
9 of interconnection or access at any individual point.  
10

11 Section 252(d)(1) of the Act states that prices of unbundled  
12 network elements must be based on cost. The Order adopted a  
13 pricing method based on forward-looking costs (para. 620). In  
14 purchasing DA/OS unbundled elements, DA data should cost no more  
15 than the ILEC's cost of delivery to MCI, with no systems or storage  
16 costs included.  
17

18 Q. ARE THERE OTHER ISSUES PERTAINING TO DIRECTORY  
19 ASSISTANCE AND OPERATOR SERVICES OF WHICH THIS  
20 COMMISSION SHOULD BE AWARE?

21 A. Yes. It is important that DA/OS services be properly "branded." MCI  
22 customers that obtain MCI's DA/OS services via an ILEC's DA  
23 platform should be provided services in conjunction with MCI's brand  
24 name. Paragraph 971 of the FCC Order specifically directs incumbent  
25 LECs to provide branding as part of their wholesale DA/OS offering to

1 other carriers:

2 Brand identification is critical to reseller attempts to compete  
3 with incumbent LECs and will minimize customer  
4 confusion....We therefore conclude that where operator, call  
5 completion, or directory assistance service is part of the service  
6 or service package an incumbent LEC offers for resale, failure  
7 by an incumbent LEC to comply with reseller branding requests  
8 presumptively constitutes an unreasonable restriction on resale.

9

10 Q. WHAT ARE THE ISSUES PERTAINING TO DIRECTORY ASSISTANCE  
11 AND OPERATOR SERVICES TO BE RESOLVED IN THIS PROCEEDING?

12 A. There are three issues that must be resolved. They are:

13 (1) Customers should be able to retrieve directory information for  
14 all subscribers either through the ILEC's database or an MCI  
15 database, regardless of their local exchange provider, with the  
16 exception of unlisted telephone numbers or other information a  
17 LEC's customer has specifically asked the LEC not to make  
18 available. Because all customers benefit from DA services that  
19 are complete and accurate, there should be no charge for ILEC  
20 storage of MCI customer information in the DA database.

21 (2) The Commission should require that MCI's local exchange  
22 customers' information be included in an ILEC's DA database  
23 and accessed through the ILEC's DA platform. Also, MCI  
24 should be permitted to obtain an ILEC's DA information for the  
25 purpose of populating an MCI DA database.



1           (3) Proprietary or sensitive information should be identified in the  
2           database of another provider by the specific information's  
3           "owner" for purposes of limiting access for reasons other than  
4           directory assistance, and/or, licensing arrangements which  
5           would allow greater flexibility in the use of the data with proper  
6           compensation to the owner of the data.

7           The specific arrangements related to operational implementation for  
8           DA/OS are covered in the testimony of another MCI witness.

9  
10       **Ancillary Arrangements: Directory Listings**

11

12       Q.    TURNING TO THE FOURTH OF THE ANCILLARY SERVICES THAT  
13       YOU LISTED ABOVE, WHAT PRINCIPLES REGARDING THE  
14       PROVISION OF DIRECTORY LISTINGS ARE CONTAINED IN THE  
15       TELECOMMUNICATIONS ACT AND THE FCC'S ORDER AND RULES?

16       A.    Section 271(c)(2)(B)(viii) of the Act obligates Bell Operating  
17       Companies choosing to pursue the provision of in-region long distance  
18       services to provide:

19                White pages directory listings for customers of the other  
20                [interconnecting] carrier's telephone exchange service.

21

22                Section 251(b)(3) of the Act imposes the duty on all  
23       telecommunications carriers:

24                The duty...to permit all such [telephone exchange service and  
25                telephone toll service] providers to have nondiscriminatory

1 access to...operator services, directory assistance, and  
2 directory listing, with no unreasonable dialing delays.

3

4 At paragraphs 141 and 142 of the Order, the FCC stated:

5 We conclude that section 251(b)(3) requires LECs to share  
6 subscriber listing information with their competitors, in "readily  
7 accessible" tape or electronic formats, and that such data be  
8 provided in a timely fashion upon request... Under the general  
9 definition of "nondiscriminatory access," competing providers  
10 must be able to obtain at least the same quality of access to  
11 these services that a LEC itself enjoys. Merely offering  
12 directory assistance and directory listing services for resale or  
13 purchase would not, in and of itself, satisfy this requirement, if  
14 the LEC, for example, only permits a "degraded" level of access  
15 to directory assistance and directory listings. (Footnote  
16 omitted.)

17

18 Q. WHAT ARE THE COMPETITIVE IMPLICATIONS OF THESE  
19 PASSAGES?

20 A. First, a single, complete white pages directory listing all subscribers in  
21 a geographic area, regardless of their local service provider, is in the  
22 public interest. A unified directory is of equal value to the customers  
23 of all carriers, since customers will not know the local carrier of the  
24 party for whom they are seeking information. In addition, it would be  
25 frustrating and inefficient to cull through multiple carrier-specific

1 directories. Nor would it be efficient for each local exchange carrier to  
2 publish its own white pages directory.

3 Second, the listing information used for white pages serves as  
4 the basis for the simple listings (referred to as the "Service Required  
5 Listings") in Yellow Pages. In most situations, it would not be  
6 efficient for each local service provider to publish its own yellow  
7 pages directory. It is traditional for the ILEC to provide each business  
8 customer a Service Required Listing under the appropriate classified  
9 heading in its yellow pages directory, even if the business does not  
10 purchase a display ad, or even a bold-faced listing. CLEC business  
11 customers must be afforded similar treatment with respect to Service  
12 Required Listings in the ILEC's yellow pages directory at no charge. If  
13 CLEC business customers were treated differently from ILEC  
14 customers, the ILEC could use its position as the sole provider of a  
15 yellow pages directory to place the CLECs at a competitive  
16 disadvantage in the business market.

17 The specific arrangements related to operational implementation  
18 for directory listings are covered in the testimony of another MCI  
19 witness.

20

21 Q. WHAT ARE THE ISSUES PERTAINING TO DIRECTORY LISTINGS TO  
22 BE RESOLVED IN THIS PROCEEDING?

23 A. There are four such issues. They are:

24 (1) The Commission should require that all relevant CLEC  
25 subscriber information should be incorporated in (or, in the case

1 of "non-published" numbers, excluded from) the white pages  
2 directory listings at no charge to the CLEC since all customers  
3 benefit from a unified directory. Data should be passed from  
4 the CLEC to the ILEC using the directory assistance process.

5 (2) The Commission should require that if an ILEC provides  
6 pertinent business information in the Customer Guide  
7 (information) pages of its white pages directory (e.g., rates,  
8 calling areas, sales, service, repair and billing information, etc.),  
9 the same information also must be provided for the CLEC at no  
10 charge.

11 (3) The CLEC customer data provided to the ILEC is valuable since  
12 it can be used for leads for Yellow Pages advertising. In  
13 exchange for that data, the ILEC should provide a published  
14 white pages directory for each CLEC subscriber at no charge.  
15 The ILEC should deliver the white pages directories to CLEC  
16 subscribers as well as to its own subscribers, with the total  
17 element long run incremental costs of that distribution assigned  
18 to all local exchange carriers on a pro rata basis. Since a  
19 "sweep" of all dwellings is less costly than leaving directories  
20 only with subscribers, if the ILEC were to refuse to perform the  
21 distribution, it would be artificially imposing costs on the  
22 CLECs. A CLEC can negotiate with the ILEC for an alternative  
23 arrangement -- for example, delivery of the directories to the  
24 CLEC rather than to subscribers, if the CLEC wishes to place its  
25 own cover on the directories.

1           (4)    CLEC business customers must be treated the same way as  
2                    ILEC business customers with respect to free *Service Required*  
3                    Listings in the ILEC's yellow pages directory.  
4

5           **Ancillary Arrangements: 911 and E911 Platforms**

6           Q.    YOU MENTIONED THE NEED FOR MCI TO HAVE ACCESS TO 911  
7                    AND E911 ABOVE.  WHAT ARE THE PUBLIC POLICY REASONS  
8                    UNDERLYING THAT CLAIM?

9           A.    There is no question that the public safety requires that 911 service  
10                  be provided at the highest possible level of quality.  To achieve such  
11                  quality, MCI and the ILEC must ensure the seamless interconnection  
12                  of their networks for the delivery of 911 services.  Such  
13                  interconnection impacts both carriers' networks and their operations  
14                  support systems.

15

16          Q.    WHAT ARE THE NETWORK REQUIREMENTS OF INTERCONNECTION  
17                  FOR 911/E911?

18          A.    Seamless interfaces are required to support 911 service between the  
19                  incumbent's and MCI's networks.  One crucial network requirement is  
20                  a dedicated trunk group for routing 911 calls from, for example, MCI's  
21                  switch to the incumbent's selective router.  An additional interface  
22                  requirement is that the incumbent provide selective routing of E-911  
23                  calls received from MCI's switch.

24                    The incumbent is obligated to provide such trunking and  
25                    routing, upon request by MCI, pursuant to the Act.  The ILEC must

1 establish terms and conditions that permit 911 calls placed by MCI's  
2 customers to reach the Public Safety Answering Point ("PSAP") in a  
3 manner equal to 911 calls originated on the ILEC's network.

4 To ensure that such interconnection is of high quality, MCI also  
5 requires that the ILEC provide industry-standard signaling on the  
6 trunks used to interconnect with the 911 tandem. Signaling is how  
7 information on call processing is passed between various network  
8 elements to permit calls to be established and disconnected. The ILEC  
9 must adhere to industry signaling standards in support of 911 calls.  
10 This is consistent with the ILEC's duty under Section 251(c)(2)(C) to  
11 provide interconnection that is at least equal in quality to that which it  
12 provides to itself.

13 The ILEC must also provide MCI with reference and routing data  
14 to assist in the configuration of the interconnected dedicated 911  
15 trunks and to ensure that 911 calls are correctly routed.

16 The ILEC must afford to MCI's 911 trunks the same level of  
17 priority service restoration that it affords its own 911 trunks. The  
18 ILEC also should notify MCI at least 48 hours prior to any scheduled  
19 outages that would affect 911 service, and communicate immediately  
20 with MCI in the case of an unscheduled outage. If the ILEC does not  
21 provide equal restoration priority to MCI, and if outage notices are not  
22 provided, MCI will not have interconnection that is "at least  
23 comparable" to the access the ILEC provides to itself.

24

25 Q. WHAT ARE THE NECESSARY DATABASE ARRANGEMENTS TO

1           **SUPPORT THE INTERCONNECTION OF NETWORKS FOR 911 AND**  
2           **E911?**

3       **A.    A new entrant must have access to the databases necessary to input**  
4           **and maintain customer address and phone numbers in the proper**  
5           **format. For example, the Automatic Location Identification ("ALI") is**  
6           **a proprietary database managed by the incumbent, but should be**  
7           **treated as the property of any participating new entrant. Further, it is**  
8           **essential that information be exchanged on network testing and**  
9           **outages to permit all network providers to respond to such event**  
10          **appropriately.**

11                   **Another requirement for successful 911 integration will be the**  
12           **ability to maintain accurate and up-to-date information. A key**  
13           **element of a large database, such as the one that permits PSAP**  
14           **operators to link a customer's phone number with the street address,**  
15           **is the need for consistent and uniform data. In large metropolitan**  
16           **areas with thousands of street names, for example, it is imperative**  
17           **that street names be referenced consistently. If Oak Ave. and Oak St.**  
18           **denote two different streets in the same city, a lack of consistency in**  
19           **listings in the database could hamper the response of emergency**  
20           **crews.**

21                   **ILECs possess or control a number of systems that are used to**  
22           **screen and edit data for inclusion in the 911 ALI database. In order to**  
23           **achieve consistency in street addresses, customers' data are edited**  
24           **against a database referred to as the master street address guide**  
25           **("MSAG"). New entrants should be permitted access to the MSAG,**

1 any mechanized systems used in the editing process, and any other  
2 systems and processes used in populating the 911 ALI database.

3 Access to these databases must be available on conditions that  
4 are comparable to the ILEC's access. Because the ILEC has electronic  
5 interfaces to such systems, providing anything less to MCI would  
6 violate the statutory requirement that interconnection be provided at  
7 quality levels "at least equal" to that the incumbent provides to itself.  
8 In its recent Order, the FCC has interpreted the Act to give MCI the  
9 right to access such operations support systems on a  
10 nondiscriminatory basis. (Order at Paras. 516 - 528)

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Q. WHAT ARE THE ISSUES PERTAINING TO 911 SERVICE TO BE  
RESOLVED IN THIS PROCEEDING?

A. There are three such issues, and they are:

- (1) ILECs should provide the appropriate trunking, signalling and routing of 911 and E911 calls from MCI switches.
- (2) ILECs should be required to provide MCI's 911 trunks the same level of priority service restoration that it affords its own 911 trunks. ILECs should be required to provide at least 48 hours notice of any scheduled outages that would affect 911 service, and immediate notice of any unscheduled outage.
- (3) MCI should be allowed access to the MSAG, any mechanized systems used in the editing process, and any other systems and processes used in populating the 911 ALI database.



1 **Ancillary Arrangements: Rights-of-Way**

2 Q. WHAT OBLIGATIONS ARE IMPOSED BY THE ACT REGARDING  
3 ACCESS TO RIGHTS-OF-WAY BY BELLSOUTH?

4 A. The Act imposes on carriers (at section 251(b)(4)):

5 The duty to afford access to the poles, ducts, conduits,  
6 and rights-of-way of such carrier to competing providers  
7 of telecommunications services on rates, terms and  
8 conditions that are consistent with section 224.

9 MCI believes that "poles, ducts, conduits and rights-of-way" refers to  
10 all the physical facilities and legal rights needed for access to  
11 pathways across public and private property to reach customers.  
12 These include poles, pole attachments, ducts, conduits, entrance  
13 facilities, equipment rooms, remote terminals, cable vaults, telephone  
14 closets, rights of way, or any other inputs needed to create pathways  
15 to complete telephone local exchange and toll traffic. These  
16 pathways may run over, under, or across or through streets, traverse  
17 private property, or enter multi-unit buildings.

18

19 Q. HOW DO THE RECENT FCC RULES IMPACT BELLSOUTH'S  
20 OBLIGATION TO PROVIDE ACCESS TO RIGHTS-OF-WAY AND  
21 OTHER PATHWAYS?

22 A. To ensure that ILECs do not use their access to rights of way to  
23 discriminate against new entrants, the FCC established general rules  
24 (para. 1151 - 1157), stating (para. 1122):

25 in furtherance of our original mandate to institute an

1           expeditious procedure for determining just and reasonable pole  
2           attachment rates with a minimum of administrative costs and  
3           consistent with fair and efficient regulation, we adopt herein a  
4           program for nondiscriminatory access to poles, ducts, conduits  
5           and rights-of-way. (Footnote omitted.)

6           Significant steps to reduce barriers to entry were achieved by  
7           addressing: requests for access and the requirement to expand  
8           capacity; cost recovery associated with expanded capacity; and the  
9           rates at which capacity is made available. Noting that utilities may  
10          expand capacity for their own needs, and that the principle of  
11          nondiscrimination applies to physical facilities as well as to rights of  
12          way, the FCC stated (para. 1162 of the Order) that a lack of capacity  
13          on a particular facility does not automatically entitle a utility to deny a  
14          request for access. Further, since modification costs will be borne  
15          only by the parties directly benefiting from the modification, harm to  
16          the utility and its ratepayers is avoided. The FCC chose not to  
17          prescribe the circumstances under which a utility must replace or  
18          expand an existing facility and when it is reasonable for a utility to  
19          deny a request for access, however, the FCC required (para. 1163)  
20          "...utilities to take all reasonable steps to accommodate requests for  
21          access..."

22                 The FCC required (para 1209) that absent a private agreement  
23                 establishing notification procedures, written notification of a  
24                 modification must be provided to parties holding attachments on the  
25                 facility to be modified at least 60 days prior to the commencement of

1 the physical modification. This provision provides at least some  
2 notice so that entrants have the chance to evaluate the impact and  
3 opportunities presented by the proposed modifications.

4 Where there are costs associated with freeing capacity (e.g.,  
5 by reconfiguring placement of cables on poles to allow for more  
6 cables), the FCC requires (para 1213) modification costs be paid only  
7 by entities for whose benefit the modifications are made, with  
8 multiple parties paying proportionate shares based on the ratio of new  
9 space occupied by each party to the total amount of new space  
10 occupied by all parties joining in the modification.

11

12 Q. WHAT TERMS AND CONDITIONS SHOULD THIS COMMISSION  
13 REQUIRE AS A RESULT OF THIS ARBITRATION PROCEEDING?

14 A. To ensure that CLECs are able to obtain nondiscriminatory access to  
15 poles, conduits and rights-of-way in a timely manner requires that  
16 ILECs provide certain information to new entrants. In addition, ILECs  
17 should not interfere with or attempt to delay the granting of permits  
18 for MCI's use of public rights-of-way or access to private premises  
19 from property owners.

20 (1) The Commission should require ILECs to provide information on  
21 the location and availability of access to poles, conduits and  
22 rights-of-way within 20 business days of MCI's request. An  
23 ILEC must not be permitted to provide information to itself or  
24 its affiliates sooner than it provides the information to other  
25 telecommunications carriers. For 90 days after a request, ILECs

1 should be required to reserve poles, conduits and rights-of-way  
2 for MCI's use. MCI should be permitted six months to begin  
3 attachment or installation of its facilities to poles, conduits and  
4 rights-of-way or request ILECs to begin make ready or other  
5 construction activities.

6 (2) Compensation for shared use of ILEC-owned or -controlled  
7 poles, ducts, and conduit should be based on TELRIC.

8 Additional arrangements related to access to rights of way are  
9 covered by the testimony of another MCI witness.

10

11 **Ancillary Arrangements: Bona Fide Request Process for Further Unbundling**

12 Q. WHAT IS THE NEED FOR A PROCESS BY WHICH MCI CAN REQUEST  
13 FURTHER UNBUNDLING OF THE BELL SOUTH NETWORK?

14 A. The Act and the FCC Order recognized explicitly that in the future,  
15 requesting carriers are likely to seek further unbundling of ILEC  
16 network elements or the introduction of entirely new network  
17 elements. For example, the FCC Order stated at para. 246,

18 ...we have the authority to identify additional, or perhaps  
19 different unbundling requirements that would apply to  
20 incumbent LECs in the future.

21

22 Since MCI plans to maintain a technologically advanced network, it  
23 fully expects to be one of those requesting carriers, even as it  
24 continually expands its facilities-based network. To ensure that an  
25 efficient process exists for approving future unbundling requests, we

1 propose that the Commission implement the following bona fide  
2 request process, consistent with the Act and the FCC Order, that  
3 places the burden on the ILEC to demonstrate that a request is not  
4 technically feasible.

5           When a carrier requests a new unbundled element from an  
6 ILEC, if the ILEC does not accept the request within ten days, the  
7 requesting carrier has ten days to file a petition with the Commission  
8 seeking its determination that the ILEC be required to provide the  
9 unbundled element. In its petition, the requesting carrier must provide  
10 an explanation of why the failure of the ILEC to provide access to that  
11 element would decrease the quality, or increase the financial or  
12 administrative cost of a service the requesting carrier seeks to offer,  
13 compared with providing that service using other unbundled elements  
14 in the ILEC's network. The requesting carrier also may provide  
15 evidence that it is technically feasible for the ILEC to provide the  
16 unbundled element and that such provision would not negatively  
17 affect network reliability. The ILEC must respond within ten days of  
18 the petition being filed and demonstrate either that it is technically  
19 infeasible to provide the requested unbundled element, or that such  
20 provision would harm network reliability. The state Commission  
21 would then rule on the petition within 20 days of the ILEC response,  
22 and in no case more than 30 days after the filing of the requesting  
23 carrier's petition. In reaching its determination, the burden of proof  
24 must lie with the ILEC.

25

1 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

2 A. Yes, it does.

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